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Mid-term review of the fifth country programme for Chad

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I. MID-TERM REVIEW OF THE FIFTH COUNTRY PROGRAMME (1992-1995): ORIGIN, PROCEEDINGS AND CONCLUSIONS

A. Current situation and general observations

Mid-term review: process, participation and timing

1. The mid-term review of the United Nations Development Programme (UNDP) country programme for Chad for the period 1992 to 1995 was held at the Novotel la Tchadienne on 19 and 20 January 1995. The meeting was chaired by the Minister of Planning and Cooperation, assisted by the Chief of Division IV of the UNDP Regional Bureau for Africa in New York; the programme officer; and the United Nations Resident Coordinator in Chad. The Ministers of Mines and Energy, and of Education, as well as officials and technical staff from various Government departments, UNDP project officers, and representatives of the principal donors, also participated in the meeting.

2. The objectives of the review were as follows:

(a) To determine whether the approach taken in the programme was truly relevant in view of the country's development problems, to consider whether there was a need to bring the current programme into line with the broad objectives identified in the report of the transition team, which include sustainable human development and democratization, and to pinpoint any necessary adjustments;

(b) To check whether the programme was in line with the Government's development priorities, plans and strategies;

(c) To examine programme execution and, in particular, how the principal planning instruments namely, the programme approach and the National Technical Cooperation Assessment and Programmes (NATCAP) exercise, and resource mobilization mechanisms, including the round-table process, sectoral consultations and cost-sharing, have been used and/or implemented in Chad;

(d) To assess the impact that introduction of the programme had in terms of organizing and strengthening national capacities; the Government's capacity to negotiate and mobilize resources; project formulation and management and the transfer of technology through technical cooperation;

(e) To formulate recommendations and measures to redefine the programme, if necessary, improve its execution, and see to it that it meshed well with the other programmes of the United Nations system and of donors. The review sought, in particular, to see what measures could be taken to increase the mobilization of resources through cost-sharing.

3. UNDP thanked the Chadian authorities for organizing the review and for their close cooperation throughout the programme evaluation process, which began in October 1994 with the work of independent consultants. The objectives and methodology of the mid-term review were recalled, as were the main aspects of the programme execution process, namely:

(a) Programme environment:

(i) On the international level, because of difficulties in mobilizing financial resources UNDP was constrained to reduce all national indicative planning figures (IPF) by 30 per cent. This reduction (totalling US$ 13.8 million), combined with borrowings amounting to US$ 10 million for the fourth cycle, resulted in a shortfall in excess of US$ 7.5 million. The efforts made within the framework of the programme approach and project review helped reduce this shortfall to US$ 2 million.

(ii) On the national level, because of the political transition and the State's budgetary difficulties, it has not been possible to move ahead quickly with the programme. In addition, those two factors created fresh demands which had to be met, demands relating to support for good governance and for the democratic process, both of which were financed from Special Programme Resources (SPR). Intervention in the context of the devaluation of the CFA franc formed part of governance support and was effected through project CHD/91/003, on support for development management.

(b) Programme execution was marked by continuation of the round-table process initiated in Geneva in June 1990; it has resulted thus far in six sectoral consultations, including one on education, training and employment (ETE) which led to a financial position meeting that was very satisfactory to all parties. The programme has also been successful in the following areas: organizing the census, strengthening the capacities of Government departments to undertake follow-up activities on the sectoral consultations, ensuring that the programme approach is really implemented and that there is close coordination with donors and other agencies within the United Nations system.

(c) Future orientation: The Resident Coordinator emphasized that in the present context certain themes could not be avoided; they include good governance in the broadest sense of the term, the rational management of natural resources and injecting new vigour into the private sector; all those factors should contribute to the emergence in Chad of a new impetus for sustainable human development.

4. Chad is one of the worlds' poorest countries, with a per capita gross domestic product (GDP) of less than 210 dollars and a human development index of 0.212. Among the African countries in the franc zone, it has experienced the longest period of political instability - nearly 30 years of recurrent civil wars and border conflicts - thus its socio-economic infrastructure is rudimentary and concentrated in the capital; the administrative capacity is very weak, and the private sector has little structure and is dominated by informal and black market activities.

5. The third round-table conference of donors, held in Geneva in June 1990, set in motion a new cycle of international aid consultations and coordination. On 1 December 1990, there was a change of government, brought about by Colonel Idriss Deby with the support of various political and military interests. This ended the totalitarian regime of Mr. Hissein Habré, which had been in power

since 1982 and which had been marked by conflict with the Libyan Arab Jamahiriya and violations of human rights.

6. Since the change of government coincided with the third cycle of the round-table process and with the preparatory phase of the fifth country programme, it gave Chad a unique opportunity to call on the international community to again mobilize its efforts to deal with the task of national reconstruction and gradual pacification of the country. Chad was thus faced with the twin challenges of political transformation and mobilizing the international community to embark on a credible economic programme. However, for reasons that have to do with the complex political situation and the donors' eagerness to encourage democratization, international cooperation was forthcoming before the institutional transformation started.

7. Accordingly, the Government of Chad and UNDP had agreed, when preparing the fifth country programme, that the latter would focus on helping the country move from emergency measures, which accounted for the bulk of donor programmes, to genuine medium and long-term development programmes. The programme was prepared in 1991 and approved by the Executive Board in February 1992.

8. Three areas of concentration of UNDP assistance were selected on the basis of the dialogue held with the Government. The selection of these areas took into account the priorities determined by the Government, the intentions of other external partners, and the areas in which UNDP intended to focus its assistance (Governing Council decision 90/34). These three areas are:

(a) Human development;

(b) Development of production resources;

(c) Support for development management.

9. Governance was not included in these three areas of concentration that were initially selected. In the second half of 1992, however, it became clear that the new authorities had to have wide-ranging consultations with the political forces of civil society and that governance, in the broadest sense, was becoming a condition sine qua non for relaunching Chad's development. It was in this context of far-reaching changes that the Government agreed to organize a Sovereign National Conference. The Conference was planned, organized and carried out with support from UNDP and the international community; it is Chad's first success on the road to democratization, with the active participation of civil society.

10. During the initial transitional period (April 1993 to April 1994), however, difficulties were experienced in the implementation of the Conference's decisions to move towards the establishment of a constitutional State, multiparty democracy, security and national reconciliation; as a result:

(a) At the development level, repeated postponement of decisions caused a significant delay in the implementation of economic adjustment reforms;

(b) At the political level, the transitional period was legally extended for an additional year (April 1994 to April 1995), implying greater expectations with regard to the capacity of the various parties (government and opposition) to bring about the necessary consensus for free and transparent elections.

11. In order to take into account Chad's socio-political development, the fifth programme was broadened conceptually to include governance in the subprogramme "Support for development management". The Bureau was able to act flexibly by using special programme resources (SPRs) and the mechanism of coordination with the donors. Four operations were carried out or are under way:

(a) Support for the preparation and organization of the Sovereign National Conference (January to April 1993);

(b) Organization of a seminar on governance, devaluation and development in May 1994;

(c) Support for civic education and for study seminars organized by national non-governmental organizations (NGOs);

(d) Evaluation of electoral prospects.

B. Programme execution and initial impact

Factors which influenced the programme

12. In the course of the three years of the programme that have elapsed, follow-up and reorientation of projects inherited from the fourth cycle (16 per cent of IPF) continued alongside the dominant activity which was conducting the round-table cycle to prepare new programmes and approve projects relating to them. Throughout this process, the major factors which influenced the programme were:

(a) In general

(i) The State's budgetary problems, which caused delays in the payment of salaries, demotivating national personnel and creating operational difficulties; it should be noted that the financial improvement and structural adjustment programmes undertaken in 1989 with the Bretton Woods institutions were suspended in 1992;

(ii) Insecurity, which hindered the implementation of certain programmes of work for projects and caused some losses of equipment. More seriously, there were human casualties, which discouraged personnel;

(iii) Long periods of indecision of the national party because of the political context, the limited capacity of the administration and weaknesses in the coordinating networks;

(iv) Limited capacity for the absorption of funds within the disbursement schedules of donors.

(b) At the level of the management of projects carried over from the fourth cycle: rigidity of project designs, which made it necessary to carry out lengthy review negotiations between the Bureau and the Government;

(c) At the financial level: excessive borrowing from fourth-cycle projects ($7.5 out of a total of $46.3 million) and the drastic 30 per cent reduction in IPF resources, the effect of which was only partially offset (about $700,000 for 1994) by the devaluation of the CFA franc.

13. The Bureau tried to offset the reduction in resources by mobilizing co-financing in the context of the round-table consultations and by seeking cost-sharing arrangements with donors. The mobilization of co-financing was fully successful in that all the bilateral and multilateral banks (the World Bank, the African Development Bank (AfDB) and the International Fund for Agricultural Development (IFAD) are contributing. Chad's cost-sharing is, at the contractual level, the largest in the region, thanks to financing from the Netherlands. Difficulties are being encountered in the implementation of the programme, however, because of the principles raised by the donor on the question of human rights. If Chad succeeds in making democratic transition, the programme will go forward and other donors will be interested.

14. With regard to the situations that depend on Government action (insecurity, salaries, material counterparts, speed of decision-making, coordination), it should be stressed that significant improvements were made in 1993 and 1994, particularly after June 1994.

C. Areas of concentration

1. Support for development management

(a) Economic aspect

15. At the time of the formulation of the programme, lack of reliable and coherent economic, financial and social statistics was a serious problem in Chad. It was for that reason that in the course of 1991 and following the third round-table conference at Geneva in June 1990, the Government persuaded UNDP to continue its action in this respect through the establishment of a project (CHD/1991/003) to support development management. The aim of the project is to contribute to the establishment of the structures and instruments which are essential for the new development management selected by Chad and supported by the donors as formulated in the conclusions of the third round-table meeting and in the overall policy plan for the period 1991-2000.

16. Since then, the situation has developed as follows: the other six additional projects envisaged (World Bank, Fund for Aid and Cooperation (FAC), FAC/United Nations Conference on Trade and Development (UNCTAD), the German Agency for Technical Cooperation (GTZ), AfDB, the European Development Fund (EDF)/support for national computers) have successively been established. Of these six projects, the World Bank project was reformulated after the devaluation of the CFA franc and strengthened with a manager appointed by decree. The multi-structured nature of the project gives rise to a dual problem

of coordination and complementarity which was considered with the Ministry of Planning and Cooperation and the World Bank during the tripartite review of project CHD/91/003 and the seminar on the restructuring of the Ministry of Planning and Cooperation in January 1995.

17. From the point of view of results, project CHD/91/003, which provides support to two offices (Office of statistics and economic and demographic studies and Office of development planning and reconstruction) of the Ministry of Planning and Cooperation, is making vital contributions to the Government. It is collecting, updating and continuously analysing macroeconomic and macrofinancial data; conducting basic statistical surveys and training operational statisticians and computer personnel; and providing support to the high-level interministerial committee for structural adjustment, which has the mandate of improving public finances. All the basic macroeconomic data used by the Government, the Bretton Woods institutions and the donors have derived from this assistance; the latter should, logically, be extended to other offices so as to make it possible to balance the planning capacities.

(b) Private sector

18. Support for promoting private sector initiatives was envisaged in the sectoral consultations organized with the assistance of UNDP in 1992. This led to a number of projects financed by UNDP, the activities of which are greatly appreciated by the Government and the beneficiaries. Pending a detailed socio-economic study of the impact of these projects, it is felt that the role of UNDP in promoting the private sector activities of Chadian small and medium-sized enterprises has been positive and should be expanded in respect of improving the environment for private initiative. Sectoral consultations organized in December 1992 led to a postponement of the formulation of a framework programme because the overall environment was deemed totally inadequate for the development of the private sector. Consequently, a multi-donor UNDP/USAID/European Union/France project was formulated to help the Government, through the executive secretariat for the promotion of the private sector, to improve the legal and fiscal environment of that sector. Some $386,800 were earmarked for that purpose. At the same time, surveys on the informal sector will be conducted in the context of the project on support for development management. The results of this survey, and the analyses of the formal sector, will provide the Government with the missing elements to formulate a global strategy for the private sector based on the search for complementarities and cooperation links so as to reduce black market operations and progressively modernize the informal sector.

19. Credit to small and medium-sized industries and to individual or collective micro-enterprises provided through the VITA NGO has been a success; VITA has been able to meet a real financing need outside the banking circuit. The activities of the project are limited to N'Djaména and the Moundou area. Donations, in the form of a grant to the operating budget by the partners (UNDP, USAID, World Bank), have so far enabled VITA to maintain a certain degree of financial balance. The absence of a development credit policy limits action in this area to external assistance through NGOs such as VITA, meanwhile local banks have excess liquidity and informal suppliers of credit charge rates of over 30 per cent.

20. The analysis of the general population and housing census is practically complete. This large-scale project, co-financed by a number of donors (UNDP/UNFPA, World Bank, Switzerland, Germany, USAID) was carried out in record time by a national team, with external assistance, and has been an unqualified success. This was the team's first experience in this area and it is hoped that the results (analytical reports) will be disseminated in the first quarter of 1995, since all the data is already available. It is in this area that national capacity-building has been most successful; the central census office is now essential for all census activities in Chad.

(c) Governance

21. Towards the end of 1992 UNDP was asked to coordinate assistance for the organization of the Sovereign National Conference, whose task was to provide broader-based legitimacy for the future authorities and to organize the transition. Thus governance emerged as the centre-piece of Chadian reality. This is because governance, in the sense of a capacity to remove political bottlenecks on the road to establishing a constitutional State, and also to study and develop projects, to formulate and rigorously follow up coherent and efficient strategies for planning and managing development, cannot be subordinated to conventional technical assistance. UNDP, like the recipient African States and members of the Executive Board, was in the process of changing after absorbing the lessons of more than 30 years of technical cooperation. UNDP has therefore been induced to take urgent action by drawing on the resources of project CHD/92/004 (Support for the programme) in order to finance the drafting of two discussion papers (the nature of the State and the economic and financial situation of the country) which have served as reference points in discussions. This support has been made available in cooperation with France, the United States of America, Germany, the European Union and the World Bank.

22. That is how the Resident Representative came to propose the initiative for the seminar on "governance, devaluation and development". The seminar, which was held from 25 to 27 May 1994 in N'Djamena, was fully supported by Division IV of the Regional Bureau for Africa and endorsed by the country's highest administrative officials. More than 400 people attended, 250 of whom were from civil society. The seminar, which was international in character, was organized on the basis of two substantive documents, one on governance drafted by a national expert, and the other on devaluation drafted by the Ministry of Planning and Cooperation with the help of experts from project CHD/91/003. The seminar was financed from special programme resources.

23. The principal results of the seminar are as follows:

(a) On the specific level:

- General thawing of relations between trade unions and the Government which led to the signing of a social pact in June 1994;

- Recognition of the importance of macroeconomic measures in economic recovery: A high-level interministerial committee was

established in June under the auspices of the Ministry of Planning and Cooperation.

(b) On the aggregate level:

- Re-establishment of dialogue between the Government and civil society;

- Popularization of new ideas about democracy and governance;

- Rational explanation of all the details about devaluation and macroeconomic adjustment, with the result that devaluation has become less of an emotive issue.

24. The issue of the organization of elections took centre stage from July 1994. Both Government and donors requested the Resident Coordinator to coordinate support from the country's partners. A team of international experts was mobilized using special programme resources and funds from the United States Agency for International Development, all of which was coordinated by the UNDP consultant. The team studied electoral conditions, assessed the cost of operations and made recommendations to the Government and donors. Its report was published on 20 November. The report states squarely the problem of the transparency of the elections; it is up to:

(a) The Government to determine how it wishes to organize the elections. In this respect, UNDP has complied fully with General Assembly resolution 48/124 dated 20 December 1993;

(b) The partners to come to a decision on the matter. As far as the United Nations is concerned, the report has been transmitted to the Electoral Assistance Division and an assessment mission has been requested from the Secretariat.

2. Development of human resources

25. The work carried out in the education, training and employment sector has resulted in the adoption of a framework programme which has received the bulk of the resources in the fifth country programme ($4,678,000 for the period 1994-97, of which $3,362,000 has been allocated for 1994-95). In essence, UNDP's contribution will basically be used to support the steering bodies that have been specially set up to implement the in-depth reforms of primary education and vocational training in the education, training and employment sector. The main partners in this subsector are France, Germany, the World Bank, the European Union, the World Food Programme and the African Development Bank. The framework programme of the education, training and employment sector is unanimously recognized as excellent and it is being used as a model in the preparation of other framework programmes. Preparation of the programme also resulted in an exemplary transfer of skills and know-how from the international members of the team to the national members. The scale of the financial commitments entered into by Chad's external development partners also illustrates the effectiveness

of the step taken by the Government and the role played by UNDP as the initiator and leader of the operation.

26. Preparation of the framework programme for the health and social affairs sector has made it necessary to formulate a strategy and a programme of action. This material was submitted to the sectoral consultation in January 1993. The donors requested additional studies, including a macroeconomic outline, to be prepared by the technical monitoring committee. These documents made it possible to hold a position meeting in October 1994. Negotiations are currently being held with donors to formulate a framework programme for financing and implementing programmes of action. The donors' position meeting held in October 1994 reaffirmed donors' important commitments with regard to the health and social affairs subsector.

27. It should be noted that UNDP and the Government, in cooperation with the World Health Organization and with the coordination of all partners, have developed a programme to combat the acquired immunodeficiency syndrome (AIDS) pandemic which is being administered by the coordination and monitoring committee. The Government, UNDP and the donors are in the process of redirecting their strategy for dealing with AIDS by placing the problem in an overall socio-economic context; in addition to prevention and epidemiological monitoring, they aim to integrate AIDS activity into all development programmes and to make use of all available operational networks (public services, non-governmental organizations, village organizations, etc.). The programme is budgeted at $3,768,000 of which $730,000 is being provided by UNDP (Medium-term plan 1). Medium-term plan 2 is being negotiated and will cover the period 1995-1999.

28. During the fifth country programme, UNDP has contributed, via projects CHD/87/027 (which ended in June 1993) and CHD/93/008, to encouraging the development of the community welfare and cooperative movement with a view to mitigating the harmful effects of poverty on the population. Overall, UNDP assistance has helped create a propitious climate for developing the community welfare and cooperative subsector, enhancing the population's self-reliance and developing and strengthening management, accounting and cooperative organizational skills among members, officials and elected leaders of cooperatives and groups. The principal results of these projects relate to (a) the organization of a national dialogue on the community welfare and cooperative movement; the formulation of legal texts clarifying the administrative supervision of cooperative groups; and the establishment of a national structure for encouraging and developing groups and cooperatives, namely the National Council for Support to the Community Welfare and Cooperative Movement (CONAMAC); (b) training of national staff in the fields of cooperative management, savings and loans, and weaving; and (c) the transformation of CETIMAF into a cooperative and the enhancement of its members' skills in respect of management and weaving techniques.

29. UNDP is also helping the Government formulate a multisectoral policy and plan of action for the advancement of women which will be taken into consideration in all development programmes. As a result of this cooperation, which has a broad base in civil society and non-governmental organizations involved in improving the status of women, the preparatory documents for the

Beijing Conference have been prepared and a system developed to establish a national capacity for putting the strategy into operation. This initiative has also received the support of the United Nations Population Fund, the United Nations Children's Fund and the United Nations Development Fund for Women.

3. Development of production resources and natural resources

30. The strategy, policy and framework for action in the rural development sector were defined in 1986, at an agro-sylvo-pastoral sectoral meeting which followed the second Round Table Conference in Geneva (1985). These same policies have been maintained since then and reaffirmed, for example in the overall policy plan to the year 2000. There have been two sectoral consultations on production resources; one in 1993, on rural development, food security and water resources, the other in 1994 on environment and desertification control; the latter was postponed until November 1994 in order to incorporate material from the United Nations Convention to Combat Desertification, which was signed in October 1994. One important arm of the strategy for managing production resources, which was agreed at that sectoral consultation, is to give greater responsibility to the rural communities in the context of sustainable human development. For obvious reasons connected with managing the impact of the exploitation of natural resources on the sustainability of development, the Government has decided to combine the follow-up from the two consultations. In accordance with its mandate in the round-table process, UNDP will help the Government to determine programmes of action and framework programmes in this sphere.

31. Supplementary funds administered directly by UNDP and amounting to $9,638,000 (United Nations Capital Development Fund, United Nations Sudano-Sahelian Office, and cost-sharing with the Netherlands) have made it possible to meet some of the priority requirements of the subsector which essentially involve the production and distribution of seeds, protection of plants and the development and management of forest resources. Overall, the subsector will absorb $18,638,000 over the period of the cycle.

32. The mining and natural resources sector received a substantial proportion of UNDP assistance in previous programming cycles. In the fifth cycle, a substantial part of the indicative planning figures again went to this sector ($4,790,000); in the mining sector, UNDP's objective during the current cycle has been to help the Government mobilize other sources of finance and to attract potential investors with a view to exploiting mineral resources that have already been identified (with geological maps, by drafting a mining code and publishing information brochures). As far as the oil subsector is concerned, significant progress has been noted and negotiations with a consortium of multinational companies have been successful. The Government, with the technical support and coordination of UNDP, is planning to draw up a real energy policy which will take into account desertification control and the need to supply the population at reasonable cost and using diverse and renewable sources of energy.

D. Principal conclusions and recommendations of the mid-term review

1. Principal conclusions

33. The following parties participated in the review: the Government, UNDP, United Nations agencies, bilateral and multilateral cooperation agencies represented in N'Djamena, national project directors, cooperation agencies, technical advisers and other invited guests.

Programme environment

34. The Government and UNDP agreed on the need for a democratic political environment as advocated by the Sovereign National Conference in order to improve the execution and impact of development cooperation programmes, those of UNDP in particular. Such an improved environment would lead to better management of development, especially as regards human resources, revitalization of the private sector and mobilization of resources.

35. It was noted that there had been difficulties in mobilizing international financial resources, and that these had affected programme execution in Chad as in other countries. It was further noted that, despite inadequate resources, the programme had been executed without any major problems and that it had had an impact on the country's development. Funds which will be under the direct control of the UNDP Administrator were mobilized to supplement IPF resources.

36. Nevertheless, it is essential to ensure that resource flows increase in relation to changes in governance and the country's improved capacity to absorb the resources available to it.

Programme relevance and execution

37. After considering the documents submitted, the participants in the mid-term review confirmed the relevance of the following three areas of concentration retained for the fifth programme:

(a) Human resource development;

(b) Development of production resources and natural resources;

(c) Support to development management linked to governance.

38. It was also confirmed during the course of the mid-term review that the ongoing programmes and projects were in line with Government priorities and objectives.

39. The participants took note of the Government's new priorities concerning disarmament and reintegration of workers laid off because of structural adjustment, revival of the private sector and the building of infrastructure. These new priorities have already been taken into account in the various areas of concentration for UNDP support to Chad. In order to strengthen their

implementation, three new projects have been added to those confirmed for 1995-1996:

(a) Assistance to the democratic process;

(b) Framework programme in health and social affairs;

(c) Technical monitoring committee for rural development.

40. Participants also confirmed the relevance of the concept of sustainable human development as a development planning tool while noting that it had yet to be determined how the concept could be made operational.

41. UNDP was commended for its role in coordinating and mobilizing resources along with the Ministry of Planning and Cooperation.

2. Recommendations

42. Participants recommended that:

General recommendations

(a) The basic documents should be amended so as to reflect more accurately the progress achieved in development;

(b) Further consideration should be given to the preparation of a framework programme for development management.

Recommendations to the Government

(a) It should continue its efforts with respect to governance and the improvement of development management;

(b) It should internalize the thinking on how to make sustainable human development operational, as stated by the Minister of Planning and Cooperation in his closing statement in observance of the day for sustainable human development on 16 January;

(c) It should establish a joint team composed of officials from the Ministry of Planning and Cooperation and UNDP to define future directions for their cooperation; with the technical ministries concerned, it should review or realign the budgets of ongoing projects in order to absorb the programme deficit, taking into account the following criteria:

(i) The annual expenditure ceiling approved by UNDP headquarters;

(ii) Government priorities;

(iii) National absorption capacity;

(iv) Impact on co-financing.

Recommendations to UNDP

(a) In future, UNDP should submit the documentation to the Government well in advance so that participants have time to study it;

(b) Coordination between UNDP and the Bretton Woods institutions should be improved. To this end, the Chief of Division IV noted that intense coordination efforts would be pursued with those institutions;

(c) It should review technical assistance posts in ongoing and new projects and programmes with a view to absorbing the deficit, particularly as regards the framework programme on health and the technical monitoring committee for rural development - environment;

(d) It should find ways of replacing long-term international technical advisers as far as possible by short-term consultants and/or national consultants.

II. PROSPECTS AND DIRECTIONS

A. Sustainable human development

43. The mid-term review coincided with the start of the dialogue with the Government on sustainable human development; the Bureau expressly asked the consultant to conduct the review in the light of sustainable human development. As a result, the overall approach to sustainable human development reflected in the programme is the one endorsed by UNDP and the Government; in other words, sustainable development is viewed as a tool and an ongoing strategy that the country will internalize and that will be used in formulating, planning and managing development plans and programmes, and in periodically verifying that the latter are helping to improve sustainable human development indicators. Sustainable human development cannot be limited to social programmes or government action alone. It is the major policy tool used in all programmes, and the people are the first ones to be involved in its operationalization and decentralization.

44. In Chad, governance is the starting-point for sustainable human development. From this viewpoint, the Bureau has taken an important step forward, in cooperation with the Government and civil society. Preliminary studies are currently being reviewed. The study on the "three Ds" (democracy - disarmament - development) is the main document containing the overall approach. Chad is a landlocked country; it has far too many weapons and not enough infrastructure or industry; the private sector is in its infancy. Accordingly, the key to social stability and revitalization of the economy is to develop programmes that will promote a high degree of self-employment through cooperatives and village associations, and to reintegrate former military personnel into the economy. Without security, meaning without a certain degree of disarmament, the current situation cannot evolve in favour of development.

45. The plan is, based on these studies, to formulate a medium-term, multi-donor programme on disarmament and development the first component (1995)

of which would be the framework programme for disarmament and reintegration of military personnel in order to consolidate the newly established democracy and the stability of the Government.

B. Concerns regarding nation-building

46. In the context of the country's evolution towards peace and stability in the framework of democracy and a constitutional State, the Government has three specific concerns:

(a) To develop a road infrastructure: there are fewer than 350 km of paved roads in Chad; during the rainy season, which lasts from 3 to 5 months, virtually the entire road system is impassable;

(b) To develop production resources and natural resources as a logical continuation of the fifth programme, with particular emphasis on enhancing the means for protecting the environment and combating desertification;

(c) To revitalize the private sector: in addition to environmental activities the Government will attempt to organize a genuine round-table to develop a programme to strengthen the capacity of this sector.

C. Cooperation resources

47. Given that UNDP and the Government are determined to make sustainable human development operational in Chad, the steady decline in financial flows for development can only be viewed with concern.

48. In order to reverse this trend, the country must satisfy one major condition, a political condition: it must conduct free, transparent and democratic elections and take subsequent measures to establish a constitutional State. Then actions taken in the area of economic governance will produce rapid and significant results, confidence will be restored and the State will regain external credibility; this we believe, will lead to a renewal of external aid flows.

49. This would also make it possible to get away from evaluating resources on the basis of external flows alone. Chad possesses considerable potential resources, but these cannot be exploited unless there is peace, stability, security and openness in the management of its public affairs. UNDP will be able to do even more to help the Government formulate an overall strategy for the mobilization of the country's resources in the interest of sustainable human development, if political problems are tackled and resolved in an attempt to establish a democracy and a constitutional State.

D. Public service and national capacities

50. Analysis of national execution has revealed that the State's budgetary problems and inconsistencies in public administration inherited from the past are slowing programme implementation and delaying the entire decision-making process. The longer this situation continues, the more likely it is that we will be faced with a genuine structural public-service problem leading to inefficient use of national human capacities and a waste of resources.

51. The real problem is the current disorganized state of public administration, which has been severely affected by the State's financial and budgetary crisis and the underlying socio-political difficulties. With the return to peace and the prospect of establishing democracy and a constitutional State, it is essential to take steps to create a genuine development administration, efficient and decentralized.

52. In this context, the Government, UNDP and the donor countries should come to an agreement on the formulation and implementation of a multi-donor programme for the reform and readjustment of public administration.

Annex

FINANCIAL SUMMARY

I. RESOURCES

	Dollars	Dollars
A. Resources available for programme period		
IPF	24 904 000 a/	
Estimated cost-sharing	3 630 000	
Total		28 534 000 a/
B. Commitments		
Approved programme/project budgets b/		
Approved and allocated IPF	23 650 000	
Approved and unallocated IPF	-	
		23 650 000
Approved cost-sharing	3 600 000	
Approved and unallocated cost-sharing	-	
		3 600 000
Pipeline programmes/projects		
IPF	2 985 000	
Cost-sharing	-	
		2 985 000
Total		30 235 000
C. Balance of resources available for further programme		
IPF		(1 701 000)
Cost-sharing		-
Balance of resources available		(1 701 000) c/

a/ Compared to the 46,330 million dollars originally anticipated for the fifth country programme; the reduction results from the 70 per cent IPF programming limitation and the borrowing of 7,527 million by the fourth cycle.

b/ "Approved and allocated" refer to those programmes and projects approved by the Action Committee or the Project Acceptance Committee for which there exist detailed, signed documents and budgets. "Approved and unallocated" represent the balance of funds available to the programme or project which have yet to be reflected in specific budget lines.

c/ This figure represents the net balance of IPF and cost-sharing resources available plus joint programme funding less approved and allocated/unallocated IPF and cost-sharing funding less pipeline IPF and cost-sharing.

II. PROPOSED (P) AND ACTUAL (A) ALLOCATION OF RESOURCES BY AREA OF CONCENTRATION

(Thousands of dollars)

Area of concentration	IPF		Cost sharing		Total		Percentage of total	
	(P) a/	(A) b/	(P)	(A)	(P)	(A)	(P)	(A)
Development of human resources	15 679	24 717	-	-	15 679	24 717	33.51	38.926
Development of production and natural resources	28 883	30 476	-	3 600	28 883	34 006	61.73	52.278
Support for development management	2 227	6 380	-	-	2 227	6 380	4.76	9.796
Total	46 789	61 573	-	-	46 789	65 103	100	100

a/ Calculated on the basis of provisional allocations at the time of approval of the fourth country programme. Does not take account of projects carried over from the fourth country programme.

b/ The effective distribution of resources concerns only projects/programmes approved under the fourth country programme.

III. ESTIMATED COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES

	At time of formulation of country programme	At time of mid-term review
UNDP-administered funds	12 700 000	14 044 068
Other United Nations resources	109 100 000	112 750 000
Non-United Nations resources	-	-
TOTAL	121 800 000	126 794 068